
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair
2021 - 2022 Regular Session

SB 739 (Cortese) - California Universal Basic Income for Transition Age Youth pilot project

Version: February 19, 2021

Urgency: No

Hearing Date: May 10, 2021

Policy Vote: HUMAN S. 4 - 1

Mandate: No

Consultant: Lenin Del Castillo

Bill Summary: This bill creates a universal basic income (UBI) pilot project providing monthly payments of \$1,000 for foster youth who exit foster care at age 21.

Fiscal Impact:

- While the bill's provisions would be contingent upon an appropriation, it could result in General Fund cost pressure of approximately \$29 million to \$30 million each year for a three-year period. This estimate assumes monthly UBI payments of \$1,000 to between 2,400 to 2,500 former foster youth that exit the system each year. The bill defines UBI as unconditional cash payments of equal amounts issued monthly to individual residents of California with the intention of ensuring the economic security of recipients.
- The Department of Social Services estimates the need for 2.0 additional staff at an annual General Fund cost of \$350,000 to \$400,000 for a three-year period to administer the program.

Background: Existing law establishes a state and local system of child welfare services, including foster care, for children who have been adjudged by the court to be at risk of abuse and neglect or to have been abused or neglected, as specified. Existing law also establishes a system of juvenile dependency for children for specified reasons, and designates that a child who meets certain criteria is within the jurisdiction of the juvenile court and may be adjudged as a dependent child of the court, as specified.

Existing law states that the purpose of foster care law is to provide maximum safety and protection for children who are currently being physically, sexually, or emotionally abused, neglected or exploited, and to ensure the safety, protection, and physical and emotional well-being of children who are at risk of harm. The law defines "nonminor dependent" (NMD) as a current or former foster youth who is a current dependent child or ward of the juvenile court, or who is a nonminor under transition jurisdiction of the juvenile court, who is between 18 and 21 years old, in foster care under the responsibility of the county welfare department, county probation department, or Indian Tribe, and participating in a transitional independent living plan, as specified.

Existing law provides that the court may have within its jurisdiction any nonminor dependent, between the age of majority and 21 years, as defined. Further provides that a nonminor dependent shall retain all of their legal decision-making authority as an adult, except as specified.

Proposed Law: This bill requires CDSS to, subject to an appropriation by the Legislature for this purpose, administer the California UBI for Transition Age Youth pilot project. The bill provides that a California resident who is 21 years of age and who exited the foster care system upon reaching 21 years of age shall receive a UBI of \$1,000 per month for three years as part of the pilot project.

This bill defines “universal basic income” as meaning unconditional cash payments of equal amounts issued monthly to eligible individuals with the intention of ensuring the economic security of recipients.

This bill requires CDSS to, by January 1, 2026, submit a report to the Legislature relating to the pilot project that addresses outcomes for youth that participated in the pilot project and recommendations relating to the continued provision of universal basic income to former foster youth.

Related Legislation: SB 100 (Hurtado, 2021) would require CDSS to convene a working group to examine the extended foster care program and make recommendations for improvements to the program. This bill is currently on the suspense file in this Committee.

SB 912 (Beall, 2020) would have permitted the juvenile court to retain jurisdiction over any ward or dependent child who is eligible to receive support as an NMD for any state of emergency declared by the Governor on or after January 1, 2021 and would have allowed an NMD who turns 21 years of age while a state of emergency is in effect to continue to receive support as an NMD for six months from the date of the declaration, as provided. This bill was vetoed by the Governor with the following message:

During the current state of emergency related to the pandemic, the State of California has addressed the needs of many of our vulnerable populations through executive orders that immediately extended benefits and waived specified requirements to remove obstacles to provide ongoing aid. Foremost among these actions was including over \$40 million in the 2020 Budget Act to allow nonminor dependents (NMDs) who would have otherwise aged out of extended foster care access to supports and services until June 30, 2021.

This bill, however, is seeking to extend court jurisdiction for all NMDs who aged out of extended foster care once the state of emergency was declared on March 4, 2020, until June 30, 2021. Further, this bill also would, for any statewide or county-by-county state of emergency declared by the Governor on or after January 1, 2021, require NMDs who turn 21 years of age while the state of emergency is in effect to continue to receive foster care support for six months from the date of the declaration.

Because disasters and pandemics vary and are difficult to predict, this bill would obligate the State to a specific approach that may not always be the most prudent or effective.

-- END --